

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In Re Application of)	
)	
COUNTERPOINT COMMUNICATIONS,)	
INC.)	File No. BTCCT-19991116AJW
(Transferor))	Facility ID No. 14050
and)	
)	
TRIBUNE TELEVISION COMPANY)	
(Transferee))	
)	
For an Extension of Time to Comply with)	
Section 73.3555(d) of the Commission's Rules)	
with the Acquisition of the Licensee of Station)	
WTXX(TV), Waterbury, Connecticut)	

MEMORANDUM OPINION AND ORDER

Adopted: February 11, 2002

Released: February 19, 2002

By the Commission: Commissioner Copps issuing a separate statement.

1. The Commission herein considers the request of the Tribune Television Company ("Tribune"), transferee pursuant to the August 3, 2001 grant of the above-captioned application and now the licensee of WTXX(TV), Channel 20 (UPN), Waterbury, Connecticut, for a six-month extension of time to achieve compliance with the Commission's multiple ownership rules.

2. Tribune is also the licensee of WTIC-TV, Hartford, and its acquisition of WTXX was made pursuant to the presumptive waiver of the television duopoly rule for "failing stations." *Counterpoint Communications, Inc.*, 16 FCC Rcd 15044 (2001). *See also* Section 73.3555 (b)(2) of the Commission's Rules. Moreover, because Tribune is also the owner of *The Hartford Courant*, its acquisition of WTXX is subject to the newspaper/broadcast cross-ownership rule, §73.3555(d) of the Commission's Rules. For good cause shown, the Commission granted Tribune a temporary six-month waiver of Section 73.3555(d) to achieve compliance with the multiple ownership rules. 16 FCC Rcd at 15047-48. Tribune consummated that transaction on August 6, 2001, and the temporary waiver is now scheduled to expire on February 6, 2002.

3. Tribune now seeks an additional six months to achieve compliance with the newspaper/broadcast cross-ownership rule by selling WTXX.¹ It maintains that it has been unable to arrange for a sale of that station in sufficient time for an appropriate application to be filed at the Commission prior to February 6, 2002.

4. **Efforts To Sell WTXX.** In support of its request, Tribune states that after the grant of the subject transfer application, it retained a reputable media broker and appraiser to begin the sales process. On September 24, 2001 Tribune received that broker's appraisal of WTXX. On October 15, 2001, Tribune entered into a listing agreement with the broker, and a confidential offering memorandum was prepared for the marketing of the station. Tribune further relates that both it and its broker identified and contacted potential buyers, made direct mass mailings to industry contacts and placed advertisements in trade publications, and the offering memorandum was submitted to anyone willing to sign a standard non-disclosure agreement. Tribune states that it sought to have proposals submitted by January 11, 2002, so an agreement could be reached and an appropriate application filed at the FCC by February 6, 2002.

5. Tribune states that by January 11, 2002, it received no proposals for the purchase of WTXX. It notes that it did receive one offer for the station for a purchase price "that was in the range supported by the appraisal" on January 13, 2002. It maintains, however, that other conditions imposed by the prospective purchaser (*e.g.*, seller financing, a joint sales agreement with WTIC, certain rights to "put" the station back to Tribune after three years) made the offer unacceptable to Tribune. Nevertheless, Tribune reports that when it attempted to negotiate with that party, the prospective purchaser withdrew its offer.

6. Tribune asserts that it is continuing its efforts to sell WTXX. It states that it received two other expressions of interest on January 21, 2002, but that those offers are well below the appraised value of the station. Although Tribune states that it will pursue these possibilities, it believes that it is "highly unlikely" that an appropriate sales application could be filed by February 6, 2002.

7. **Public Interest Factors.** In its application to acquire WTXX, Tribune stated it would continue its significant financial commitment to the station's physical plant and equipment, digital conversion, and local programming (*i.e.*, rebroadcasts of WTIC news programming, religious programming) already carried on the station (some of which is derived from WTIC programming and would not be feasible for WTXX alone to produce). It also pledged to produce a new monthly 30-minute prime-time public affairs programming addressing local issues, and a new weekly 30-minute public affairs show directed to local high school students.

¹ In its extension request, Tribune states that it has determined that its tax bases for the newspaper and WTIC are so low that a sale of either property will result in a large tax liability that is not in its financial best interest. Tribune claims that it would be better served by turning in the license for WTXX and allowing the station to go dark rather than selling the newspaper or WTIC. It therefore maintains that because the public interest is best served by keeping WTXX on the air, its only feasible strategy is to sell WTXX. Tribune states that the requested extension of its temporary waiver for six months will permit it to continue its diligent efforts to sell WTXX and continue its efforts to maintain and improve WTXX service.

8. Since acquiring WTXX, Tribune reports that it has continued its investment in WTXX's physical plant and equipment, including obtaining a grant of a construction permit in August 2001 to relocate and initiate its DTV operation from a new tower designed to afford the "best coverage of Connecticut." Tribune also continues to air existing local news and religious programming on the station, and states that it has started to expand the station's public affairs programming by airing 60-second news stories prepared by local middle and high school students.² As to other programming to be introduced on WTXX, Tribune states that programming time periods for the 2001-2002 season were already committed (e.g., programs purchased) at the time the transfer application was granted in August 2001. Nevertheless, Tribune states that it is now in the process of planning the 2002-2003 season (beginning in the fall of 2002), and anticipates reserving time for new public affairs programming.

9. Finally, Tribune alleges that extensions of temporary waivers are justified where the underlying rationale supporting the waiver continues to be supported by the public interest. See, e.g., *Capital Cities/ABC, Inc.*, 2 FCC Rcd 2539 (1987). It maintains that, given its efforts to achieve compliance with the multiple ownership rules and to improve service offered on WTXX, the requested extension of its temporary waiver for an additional six months is warranted.

10. **Discussion.** We believe that through the efforts detailed above Tribune has demonstrated that it has exercised its best efforts to achieve compliance with the multiple ownership rules as set forth in *Counterpoint Communications, Inc.*, *supra*. In view of these efforts, it appears that Tribune has met the high hurdle necessary to justify an additional six months in which to achieve compliance with our newspaper/broadcast cross-ownership rule. Therefore, Tribune will be accorded an additional six (6) months, from the date of release of this order, in which to bring its interests into compliance. We expect Tribune to continue to exercise its best efforts and to expand its current efforts if needed to sell the necessary assets to come into compliance with the rule by that date. To that end, the Tribune will report to the Commission every forty-five (45) days, beginning forty-five days from the date of issuance of this order, as to the progress of its efforts.

² This material was originally contained in WTIC's "Fox Student News" which "has recently been expanded to encompass WTXX."

11. Accordingly, IT IS ORDERED, That Tribune's request for an additional six-month period, from the date of release of this order, within which to come into compliance with the newspaper/broadcast cross-ownership rule, Section 73.3555(d)(3), IS GRANTED.

FEDERAL COMMUNICATIONS COMMISSION

William F. Caton
Acting Secretary

**SEPARATE STATEMENT
OF COMMISSIONER MICHAEL J. COPPS**

*Re: In re: WTXS(TV), Waterbury, CT
File No. BTCCT-19991116AJW Facility ID No. 14050*

I am troubled by granting an extension of time to the Tribune Company to come into compliance with the newspaper/broadcast rule in Hartford, Connecticut.

When the Commission voted to grant a limited six-month waiver of this rule, I stated that this time period is far more appropriate than the twenty-four month waiver of the same rule that recently had been granted by the Commission for another transaction that I opposed. I certainly did not intend a six-month waiver to be extended on a regular basis in effect creating an 18 or 24 month grace period.

Our six-month waiver was conditioned upon the company's demonstration of best efforts to sell WTXS(TV). Best efforts appear to be demonstrated here, but now the situation demands an even more aggressive kind of effort in order to ensure compliance.

I therefore reluctantly agree to the grant of a six-month extension for the Tribune Company to come into compliance with the Commission's newspaper/broadcast rule. I will be following closely the company's efforts to sell the station, and I expect to see the effort maximized as a response to the Commission's action today. Asking the Commission to go beyond this extension would, I think, be asking too much.